



BONN CLIMATE CHANGE CONFERENCE: THURSDAY, 6 JUNE 2013

In the morning, an ADP Briefing took place, as well as an ADP Roundtable on Workstream 1 and a joint SBI/SBSTA in-forum workshop on response measures. In the afternoon, the ADP Workshop on Workstream 1 on Enhancing Adaptation through the 2015 Agreement convened. An event on quantified economy-wide emission reduction targets by developed countries and the second session of the Durban Platform on Capacity Building convened in the afternoon. In the evening, an informal SBI consultation was held. A number of SBSTA contact groups and informal groups also met throughout the day.

ADP

ADP BRIEFING: Chairs and representatives from: the Standing Committee on Finance; Green Climate Fund (GCF); GEF Secretariat; Work Programme on Long-term Finance; Technology Executive Committee Chair; Climate Technology Centre and Network Advisory Board; Adaptation Fund Board; Consultative Group of Experts; and Durban Forum on Capacity Building provided an overview of the work undertaken in their respective bodies.

Responding to a question on linkages with the ADP, Diann Black-Layne, Standing Committee on Finance, noted the need for overall coherence and the prospect of the ADP using the existing operating entity. Zaheer Fakir, GCF, emphasized the priority of the Board to operationalize the Fund and noted the GCF's complementary role to existing institutions. Naderev Saño, Work Programme on Long-term Finance, indicated efforts to clarify pathways for developed countries to scale up finance mobilization and assured Ghana of convergent views on prioritizing adaptation in response to their question on this.

ADP ROUNDTABLE ON WORKSTREAM 1: VARIETY OF ACTIONS: Participants continued Wednesday's discussions on transparency and accountability. SAUDI ARABIA underlined three elements to enhance transparency in a new agreement: reporting impacts of climate actions; reporting on finance; and keeping these provisions in line with Convention principles, provisions and annexes. Highlighting the approach of nationally-determined actions, the REPUBLIC OF KOREA suggested a workshop on *ex ante* (to the 2015 agreement) clarity. Nepal,

for the LDCs, said transparency measures should include a comparable and complete accounting system for support provided and received. Nauru, for AOSIS, stressed that transparency of mitigation commitments must be as robust as those under the Kyoto Protocol and be understood before their adoption.

On future organization of work under the ADP, the Philippines, for LMDC, supported by Malaysia, for G-77/CHINA, expressed concern that the roundtables were moving from the intent of assisting parties to share conceptual views on existing elements to introducing new elements. He added that the topics addressed in the roundtables reflect the co-chairs' "perceived areas of common ground" and he reiterated his reservations about this. He said ignoring the principle of CBDR "risks the collapse of this process" and called for an end to the roundtables and starting party-driven negotiations on implementing the Convention in the post-2020 period.

Switzerland, for the EIG, agreed on the need to move toward a negotiation text, but highlighted the importance of roundtables for conceptual discussions and the need for concrete proposals that reflect and operationalize the Convention principles. AUSTRALIA, supported by the EU, preferred continuing the roundtables and said he looked forward to concrete, substantive discussions in those fora.

Chair Dovland proposed continuing with the scheduled workshops envisaged for Thursday and Friday, while discussing the organization of work in Bonn informally on Thursday.

ADP WORKSHOP ON WORKSTREAM 1: ENHANCING ADAPTATION THROUGH THE 2015 AGREEMENT: Burhan Gafoor (Singapore) facilitated the workshop.

Implementing the Cancun Adaptation Framework: Christina Chan, Vice-Chair of the Adaptation Committee, briefed parties on the Committee's work on raising the profile of adaptation and improving coherence. Pepetua Latasi, Chair of the LDC Expert Group (LEG), updated participants on the modalities of LEG support to LDCs.

Interventions by parties on previous or new proposals: BENIN highlighted the need to mainstream adaptation and learn from the implementation of NAPAs. On funding, BOLIVIA lamented the lack of predictability. He said that loss and



damage is different from adaptation in that it refers to instances where adaptation is no longer feasible. The COOK ISLANDS proposed a compensation mechanism for loss and damage based on the polluter-pays principle. CANADA said the NWP should serve as a vehicle for adaptation and promote peer-to-peer knowledge transfer. The EU encouraged synergies with activities outside the UNFCCC, and said that renewable energy and sustainable agricultural practices can contribute to adaptation efforts. GUATEMALA urged taking bottom-up and top-down approaches to increase social and ecosystem resilience, and highlighted the need for synergies with poverty eradication. MEXICO called for improvement of tools to address adaptation needs. Highlighting cities as centers of opportunity, SOUTH AFRICA called for a focus on urban areas.

Discussion: Parties agreed that adaptation should be an integral part of a new agreement. They also agreed on the need to address adaptation in the context of sustainable development and build on existing institutions. Parties also addressed, *inter alia*: the balance between mitigation and adaptation; means of implementation; support for national adaptation strategies and plans; National Adaptation Plans for non-LDCs; and a platform for information exchange. Swaziland, for the AFRICAN GROUP, called for a global goal on adaptation. CAN said that mitigation, adaptation, and loss and damage must exist as parts of a continuum.

SBSTA

EVENT ON QUANTIFIED ECONOMY-WIDE EMISSION REDUCTION TARGETS BY DEVELOPED COUNTRIES: Barbara Muik, UNFCCC Secretariat, presented a technical paper based on developed countries' submissions. She noted clarity on some of the elements, but that there is uncertainty on, *inter alia*: the role of LULUCF and carbon credits from market-based mechanisms, as well as on whether conditions and assumptions attached to the pledges are met.

Measuring progress towards achievement of targets: Kelly Levin, World Resources Institute (WRI), noted that despite targets presented by developed countries, more information than is currently required is needed for clarifying these pledges, including the methodology used to calculate LULUCF emissions and timeframes for the targets. She added that harmonized accounting rules are essential to assess and track progress on mitigation, suggesting the possibility of adopting common rules for several aspects of accounting, while negotiations continue on some contentious areas, such as LULUCF and market mechanisms.

Andrew Prag (OECD) highlighted three key messages: developing elements of a broadly-applicable accounting framework; accounting for transfers of market units; and accounting for emissions and removals from the land-use sector. On transfers of market units, he outlined differences between single- and multi-year targets for unit flows and emissions abatement.

Discussion: Chair Muyungi drew parties' attention to questions: information available to identify common elements for measuring progress; how common elements facilitate comparability of mitigation efforts; the role of WRI and OECD; and the next steps.

Marshall Islands, for AOSIS, underlined the importance of comparability to assess developed countries' efforts relative to each other and aggregate, and cited a lack of harmonized rules and differences in adoption of single and multi-year carbon budgets as impeding comparability.

The EU said information is insufficient and unclear, particularly on units in subnational market mechanisms. As next steps, he suggested discussions on approaches to define and demonstrate progress toward targets and a decision in Warsaw that looks at "clusters of a common framework."

Comparability of mitigation efforts and assumptions and conditions related to the targets: Martin Khor, the South Centre, explained how comparability is directly linked to the ambition factor and urged Annex I parties to take comparable and adequate commitments that are based on science and equity. To prevent national circumstances being used as an excuse to avoid comparability, he suggested categorizing national circumstances by relevance, noting that population and GDP changes could be considered important factors. He lamented that parties do not use a common base year and advocated that those not taking part in the second commitment period of the Kyoto Protocol make their pledges comparable with the 18% aggregate commitment and also have their pledges revisited in 2014.

Discussion: Many parties agreed with presenters on the need to clarify commitments as soon as possible and overcome shortcomings regarding data. Many discussed the difficulties of ensuring comparability, with the EU noting that targets do not necessarily reflect, or help compare mitigation efforts. A number of developing countries pointed to the need to remove conditionalities in developed countries' pledges. NEW ZEALAND announced that in the course of the year they will present a new mitigation target without conditionalities under the Convention for the transition towards the new agreement, and said the target will likely apply to all sectors and follow the Kyoto Protocol's LULUCF rules. While KENYA pointed to the challenges of national circumstances concerning countries' capacities, NEW ZEALAND observed that national circumstances also include feasibility.

CONTACT GROUP: AGRICULTURE: The contact group, co-chaired by Hans Åke Nilsagard (Sweden) and Esther Magambo (Kenya), engaged in an initial exchange of views and many parties underlined the importance of food security.

Egypt, for the G-77/CHINA, supported by INDIA and others, suggested moving toward a draft decision and outlined three pillars: emphasizing the Convention principles; considering adaptation the core; and means of implementation to link agricultural adaptation to technology transfer and finance for capacity building. The Gambia, for the LDCs, suggested workshops on issues where parties' views diverge and Malawi, for the AFRICAN GROUP, stated that these issues of divergence include the Convention principles, whether to prioritize mitigation or adaptation and means of implementation. SAUDI

ARABIA emphasized CBDR and developed countries' subsidies. The PHILIPPINES called for a better understanding of climate impacts and new technological platforms.

The EU suggested a progressive, inclusive process that addresses farmers' priorities. AUSTRALIA expressed concern that the issue was "stuck" and stated their objective is to provide farmers with access to science and technological advice to improve resilience, productivity and efficiency. Urging inclusion of mitigation, NEW ZEALAND noted that agriculture accounts for half of his country's emissions, and clarified that the group's mandate involves scientific and technical advice. Discussions will continue.

SBI

SECOND SESSION OF THE DURBAN FORUM ON CAPACITY BUILDING: Helen Plume (New Zealand) co-facilitated this session. On capacity building for the implementation of the Kyoto Protocol, Paul Isabirye (Uganda) highlighted the cumulative nature of capacity building and stressed the need to include stakeholders at all stages of programme design. Connor Barry, UNFCCC Secretariat, emphasized how regional centers could allow for a partnership approach to align expectations and requirements of capacity building programs.

On overview of capacity building elements in the bodies established under the Convention and the Kyoto Protocol, participants highlighted: the importance of an integrated approach recognizing diverse national circumstances; the potential of direct access modalities to increase domestic capacity; and the need for climate risk management involving a range of stakeholders. Participants expressed common views on approaching capacity building as a "foundational" element.

On enhancing delivery of capacity building to promote concrete and effective adaptation and mitigation actions at the national level, panelists discussed: integrating capacity building in the ADP workstreams; the need to engage stakeholders that can help delivery; and the opportunity afforded by the ADP to approach capacity building strategically and at scale.

SBI Chair Chruszczow closed the session saying the discussions would aid negotiations in Warsaw.

SBSTA/SBI

RESPONSE MEASURES FORUM ON ASSESSMENT OF IMPACTS: During the session, participants discussed assessment and analysis of impacts of the implementation of response measures.

Country Presentations: The G-77/CHINA highlighted that response measures must be seen in the broader context of sustainable development, including the Rio+20 outcome, and should include qualitative and quantitative assessments in their design and implementation phase that address socio-economic consequences. Noting that benefits outweigh the costs, AUSTRALIA emphasized the need to capture benefits and build resilience. SAUDI ARABIA said assessment should cover various sectors and social groups, and be comprehensive, collective and dynamic. She stressed the need to develop methodology and reporting. The US highlighted co-benefits

from a well-designed climate policy, including improved air quality, enhanced biodiversity, stronger economies and healthier lifestyles. He said that benefits are not limited to the country that is implementing climate policies. Drawing on the example of including aviation in the EU Emissions Trading Scheme (ETS), INDIA urged countries to refrain from engaging in unilateral measures. SIERRA LEONE emphasized the need to have a clear idea of the type of response measures that are expected to have adverse effects and consider projected impacts on, *inter alia*: transport, agriculture, water resources, forestry and biodiversity. He underlined the need to request developing countries to solicit specific actions for measurable results.

Presentations by Organizations: Mohamed Hamel, OPEC, presented on the results of a quantitative assessment of adverse impacts of response measures on petroleum-exporting developing countries. Manuel Montes, the South Centre, presented a typology of response measures and qualitative and quantitative approaches to assess these.

In the ensuing discussion, several developing countries stressed the need to carry out *ex ante* and *ex post* analysis of specific actions. The EU advocated discussions on impact assessments but questioned the added value of focusing on unilateral measures, which are, in his view, necessary in the absence of agreed international measures, such as a global carbon tax or efficiency standards. Opposing India's proposal, AUSTRALIA cautioned against extending Convention Article 3.5 (prohibiting the use of arbitrary and discriminatory unilateral measures). The US stressed its opposition to unilateral measures in various international processes, but recognized that unilateral measures are permissible and necessary if consistent with international law.

IN THE CORRIDORS

At lunchtime, a good number of delegates participated in informal consultations by the incoming presidency of COP 19. Poland reassured attendees of a transparent, inclusive and party-driven process, as well as facilitation of a meaningful stakeholder engagement. Expectations for the meeting, however, diverged; for instance, while a developing country delegate labeled COP 19 the "Finance COP," emphasizing means of implementation through scaled-up finance and technology transfer; another said: "COP 19 is the moment for establishing a loss and damage mechanism," and yet another emphasized that CBDR is key, and COP 19 should focus on enhanced action for the implementation of the Convention. Developed countries also seemed to have their own views on what to expect from COP 19, with a group of delegates noting that, in Warsaw, making progress on market mechanisms and MRV and "agreeing on a work process that builds a foundation for a legally binding agreement applicable to all parties" will be key.

Meanwhile the evening informal SBI consultation convened on the agenda was not able to yield good news. Many SBI delegates had spent the day helping out their busy SBSTA colleagues, with one resigned to "continuing to learn more about SBSTA's work," if the stalemate persisted.



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